

The Honorable Richard A. Jones

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

ZENWORK, INC. f/k/a TECHATLANTIS,  
INC.,

Plaintiff,

v.

AVALARA, INC.,

Defendant.

AVALARA, INC.,

Counterclaim  
Plaintiff,

v.

ZENWORK, INC. f/k/a TECHATLANTIS,  
INC. d/b/a EXAKTO.COM;  
1099ONLINE.COM, TAX1099.COM; EZ2290;  
EZIFTA; EZEXTENSION; and  
FBARONLINE,

Counterclaim  
Defendants.

NO. 2:16-cv-01325-RAJ

DECLARATION OF ALAN  
BALASUNDARUM IN SUPPORT OF  
MOTION FOR ORDER OF  
POSSESSION OR IN THE  
ALTERNATIVE PRELIMINARY  
INJUNCTION

BALASUNDARUM DECLARATION - 1  
No. 2:16-cv-01325-RAJ

GORDON TILDEN THOMAS & CORDELL LLP  
1001 Fourth Avenue, Suite 4000  
Seattle, WA 98154  
Phone (206) 467-6477  
Fax (206) 467-6292

1 I, Alan Roy Balasundaram, declare as follows:  
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4 1. I am Director of Engineering for Avalara. I have personal knowledge of the facts  
5  
6 set forth below and am competent to testify.  
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8 2. TechAtlantis states that it does not maintain the AVA Data in the specific formats  
9  
10 that Avalara1099 customers need to respond to IRS audits and make timely filings *etc.* It  
11  
12 appears that Avalara1099 database instead “creates” forms using stored data, on an as-needed  
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14 basis in response to specific requests. But Avalara is not insisting that TechAtlantis return the  
15  
16 AVA Data in that format. If it is true that TechAtlantis does not maintain the AVA Data in the  
17  
18 format that those customers need, it can return it in its raw format with simple descriptions of  
19  
20 each database field. Tech Atlantis argues that the raw data would be “indecipherable” without its  
21  
22 proprietary code, but if it returns the data in raw format with these field descriptions I am  
23  
24 confident that Avalara can decipher it and use it to generate the forms and files that its customers  
25  
26 require.  
27

28 3. Based on my experience and familiarity with database management, web  
29  
30 development, and my experience exporting data from the Avalara1099 website, I estimate that it  
31  
32 would take at most five days, or 40 hours, of work for Tech Atlantis to provide the data as a raw  
33  
34 database export.  
35

36 4. Tech Atlantis’ statement, that it would cost \$150,000 in manpower to deliver the  
37  
38 data in PDFs and other specific file formats, is not credible. The data exists on the Avalara1099  
39  
40 system and that system is designed to generate PDFs and other specific files. In light of  
41  
42 Avalara’s experience described in paragraph 5 below I would expect that the form generation  
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45

1 process might involve some delays and require some troubleshooting, but nothing even close to  
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3 Tech Atlantis' \$150,000 "estimate."  
4

5 5. During the period that the Avalara1099 portal was reopened in October 2016,  
6  
7 Avalara attempted to retrieve all of the AVA Data but was unable to do so. This was because the  
8  
9 Tech Atlantis Avalara1099 site did not provide a reasonable, documented process for Avalara to  
10  
11 export all of its customers data. The process to export the data required an Avalara representative  
12  
13 to login as each of its approximately hundreds of customers and to manually run a series of  
14  
15 reports, downloading the results for each of those customer's clients. This process must be  
16  
17 repeated to download all the customer's PDF Tax forms. To complicate matters, the Tech  
18  
19 Atlantis Avalara1099 site would often become unresponsive, taking seconds or longer to respond  
20  
21 to user interaction, and was often completely unavailable.  
22

23 6. Tech Atlantis claims it is prohibitively expensive to store customers' PDF forms  
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25 in PDF format. That is not true. Based on my experience and familiarity with pricing for third  
26  
27 party web storage I estimate it would cost at most \$230 per month to store all PDFs with a third-  
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29 party storage provider like Amazon Web Services. Also, contrary to Tech Atlantis' speculation,  
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31 Avalara does store PDF forms for its other customers, further demonstrating that storage of these  
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33 forms is not cost prohibitive.  
34

35 7. While Tech Atlantis argues that Avalara and customers would have used the  
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37 portal to download all customer data, in fact Tech Atlantis provided no reasonable method and  
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39 no instructions for such a downloading process. As it was set up by Tech Atlantis, the process  
40  
41 involves running a series of reports, and downloading PDFs. For customers with large volumes  
42  
43 of data, this process would involve manually downloading PDFs in batches, requiring the  
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1 customer to keep track of where they were at in the process. When attempting to export  
2  
3 customers' data, the Avalara1099 service provided by Tech atlantis became unresponsive, taking  
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5 seconds or longer to respond to a single mouse click. The download process created by Tech  
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7 Atlantis is akin to a bank giving all its customers 6 months to withdraw all their money, but only  
8  
9 providing them ATMs to do so and requiring them to adhere to daily withdrawal limits that make  
10  
11 it extremely difficult, and in some cases impossible, to retrieve their money within the designated  
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13 period.  
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16  
17 I declare under penalty of perjury under the laws of the State of Washington that the  
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19 foregoing is true and correct to the best of my knowledge.  
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23 Dated January 6, 2017

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Alan Roy Balasundaram

**CERTIFICATE OF SERVICE**

I hereby certify that on January 6, 2017, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following:

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DATED this 6th day of January, 2017.

s/ Jeffrey M. Thomas  
Jeffrey M. Thomas, WSBA #21175